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SOUTHERN AFRICA'S TRAVEL NEWS WEEKLY



NEWS B747-8 COMES TO AFRICA Lufthansa upgrades JNB-FRA service

REPORT AVIATION FESTIVAL

African airlines battle 'onslaught' of Gulf carriers

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SAA weighs in on GDS surcharge debate

DARISE FOSTER

INSID

AA plans to wait and watch what the outcome of Lufthansa's proposed GDS surcharge will be before considering a similar move.

"It's different strokes for different folks. Is this appropriate for long-haul international travel? I'm not sure. The jury is still out," said acting ceo, **Nico Bezuidenhout**, at a recent media briefing to discuss SAA's short- and medium-term objectives following the completion of its 90 Day Action Plan.

The trade plays a key role in booking international travel, providing a consultative role, both for the passenger and the airline. "I'd be hesitant to take steps that make that distribution channel feel they are being targeted or discriminated against. Lufthansa has taken that step and it is going to be interesting to see how that goes. I will sit on the side and watch this one."

Lufthansa is highlighting how costs are borne in the travel distribution value chain, SAA chief commercial officer, **Sylvain Bosc**, told *TNW*. "The total cost burden of the IT platform is on the airline. I'm not sure it's a fair way to share the cost. GDSs are a very profitable business, making comfortable margins. Everyone is benefiting but the airline gets the entire financial burden of the whole distribution chain.

"Since the GDS was first introduced into the market, there has been no revision of charges. Lufthansa is allowing this to happen now. It is very courageous but very welcome. What I hope is that this laudable initiative will gain traction and trigger a robust conversation between airlines, agents, GDSs and consumers on who should bear what part of the GDS costs at the end of the day," Sylvain said.

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SAA's top priorities over the next six months included developing a "new distribution strategy" where it would "closely embrace and leverage travel agency and TMC partners", Nico said at the briefing.

For regional and international sectors, the airline planned to offer competitive incentive packages "as long as certain commissions conditions are met in terms of revenue growth" – a tailor-made approach that would see the airline engage in discussions with each trade partner, Sylvain said.

Profitability in sight

SAA could return to profitability within four years from the current fiscal, Nico told media, however this would require it to make "hard decisions".

The airline plans to reduce its headcount by between 8% and 10% by the end of September, saving more than R900m through staff reductions. "One of the reasons SAA has failed to implement plans is because of failed performance management," Nico explained. "When you get into the commercial side of the business, you don't have those regulatory frameworks that force compliance. From that

To page 16



Travel agents can learn all about Travelport's new Smartpoint 6.0 in an upcoming Travelinfo Online Workshop, which will run from September 1 to October 31. Agents who complete the workshop stand a chance to win a R5 000 prize. For more details, see Travelinfo. For more technology updates, see the feature on page 10. Pictured here, learning all about Smartpoint 6.0, is TI's Zelka Spoja-Vieira with Travelport's Nicolas le Roux. Photo: Shannon Van Zyl

The latest in rich content

THE latest release of Travelport's commerce platform, Travelport Smartpoint 6.0, has been launched, providing travel consultants with further capabilities to advise their customers about the entire range of products, optional services and offers available from airlines that Travelport distributes, with fully interactive, graphical screen displays and real time booking.

Smartpoint 6.0 is available either as a download to Travelport's desktop app or an automated upgrade for those using its web browser version. Travel agents can access an airline's branded fares and ancillaries at the availability, fare quote and fare shop stages of the booking process, providing a new level of product insight and information at more of the key stages in the customer buying experience, says Travelport.

Further enhancements also include reducing the number of clicks required to access important information and the ability for agents to book and pay for the portfolio of LCCs Travelport has integrated into its platform, using debit cards (in addition to credit cards) within the same booking workflow.

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NEWS

Top web stories

• TNW pick: The end of an era

- Know when to go BIG
- Confusion surrounds Angolan visas
- \bullet 'There could be amendments to Immigration Act' Gigaba
- Finally, Cape Town's V&A to get cruise hub





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CTNW Lufthansa brings new aircraft to SA

DEBBIE BADHAM

UFTHANSA will upgrade services out of SA later this year, bringing the first Boeing 747-8 to Africa. The next-generation jumbo jet will service the Johannesburg-Frankfurt route at the start of the winter schedule in October. Known as the 'Queen of the Skies', the Boeing 747-8 will feature Lufthansa's new firstand business-class cabins as well as the new premium economy class. It will be configured with eight first-class seats. 80 in business class, 32 in premium economy and

244 economy-class seats. The aircraft replaces the A380 on the route, which means fewer seats available in economy (176 to be exact). However, there would be a higher number of upper-class seats on the aircraft, which was in line with current market demands, the airline said.

"The four-class Boeing 747-8 is our most advanced long-haul aircraft, bringing unparalleled comfort and premium service to our customers with the most advanced, fuel-efficient long-haul aircraft in the Lufthansa fleet," says **Tamur Goudarzi-Pour**, Lufthansa vp of sales and services for the Middle East, Africa and South Eastern Europe.

As it looks to strengthen its position in the Western Cape, Lufthansa will also extend its Cape Town-Munich service. The seasonal summer service will now operate daily, using an A340-600.

New routes planned for the rest of the continent include Nairobi as well additional gateways for Brussels Airlines in Accra (Ghana); Kigali (Rwanda); Lomé (Togo); Cotonou (Benin); and Ouagadougou (Burkina Faso).

Imagine Cruising pulls out of Stuttafords

DORINE REINSTEIN

IMAGINE Cruising has closed its concession stores in Stuttafords in Cape Town and Sandton, less than a year after announcing the launch of the concept (see *TNW* August 27).

The retail agency cited a lack of profitability as the main reason for shutting shop.

Peter Schanks,

development director of Imagine Cruising, says although the concept was successful in raising brand awareness, a progress review showed the concessions were simply not productive enough.

All bookings made through the concession stores will be honoured, Peter says. "We have written to our customers who booked through our concession stores and they will be looked after by our expanding call centre in Cape Town."

The termination of the agreement with Stuttafords doesn't mean Imagine Cruising is abandoning the

South African market, Peter adds. He says Imagine continues to experience growth in South Africa.

"In 2015, so far, we have experienced overall passenger growth in excess of 25%," he says. "Meanwhile, we continue to grow our marketing activity across a range of channels and to expand our call centre activity to support our customers' needs across both holidays and cruises as we continue our planned growth in South Africa over coming years." ■

Courtney Canham selects the top specials from Travelinfo

• World Leisure Holidays. Seven-night packages to Dubai are from R17 990 per adult sharing at the five-star Hyatt Regency. Offer includes return economy flights ex-Johannesburg on Emirates, airport taxes, return airport-hotel transfers, accommodation with breakfast and 15% discount on food and beverages at selected outlets. Children under 12 stay and eat breakfast free. Offer valid until August 31.

- Twelve Apostles Hotel and Spa. (Cape Town) Rates are from R1 505pp sharing per night. Special includes breakfast, three-course dinner, 40-minute head and shoulder massage, a 60-minute hydro-pool session in spa and VAT. Minimum two-night stay applies. Offer expires September 30.
- British T.I.P.S. Rome packages are from R4 626pp sharing. Offer includes three nights' twin-share accommodation at a three-star central hotel with daily breakfast, and a three-day Omnia Vatican and Rome Card. Offer is valid for travel until December 18.
- **Dreams**. Three-night stay at Sun City Cabanas from R2 185pp sharing. Rate includes daily breakfasts and one free game drive. Not available over weekends, public holidays and peak periods. Offer valid until August 30.
- Travel with Options. Self-catering Réunion packages at L'Archipel St Gilles are available from R8 736pp sharing. Offer includes flights on Air Austral, airport taxes, return airport-hotel transfers and seven nights' accommodation. Offer is valid for travel until September 30.

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Specials

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The Society for Incentive Travel Excellence (SITE) hosted its first regional event since rebranding into SITE Southern Africa. The workshop was held simultaneously in Cape Town, Johannesburg and Durban, with attendees working together to plot the way forward for the organisation's new chapter. Pictured here at the Johannesburg event are (from left): Henk Graaff (SITE); Kathy Davies (Legacy Hotels and Resorts); Ebere Owa (By Design Africa Group); and Kathy Basson (Mauritius Incentive Connection). Photo: Darise Foster

V&A Waterfront to get cruise hub

RANSNET National Ports Authority has awarded the V&A Waterfront the status of preferred bidder for the development of a cruise terminal at the Port of Cape Town.

Once all negotiations are concluded, the V&A Waterfront will invest just under R179m to finance, design, and develop the terminal. The facility will remain at E berth, Duncan Dock, in the Port of Cape Town and will be able to accommodate the port's current and future passenger

vessel fleet. It is also envisaged that the upgraded facility will house value-added retail and hospitality services.

The facility will be a gateway to a unique African experience in cruise tourism,' said TNPA ce, Richard Vallihu. "The city will benefit from a world-class facility that will attract greater international cruise liner calls, create jobs and strengthen the tourism offering of not only the Mother City but South Africa as a whole.

David Green, V&A Waterfront

ceo, said: "We recognise that cruise liner tourism is one of the fastest growing areas of tourism. The cruise terminal gives us the opportunity to extend a warm welcome to our fair city and is important due to the first impression it will create of Cape Town.'

He said there was great scope to improve the passenger experience upon disembarkation, and also the opportunity to work jointly with South African Tourism and cruise companies to grow tourism business.



Farewell, Holiday Tours

Letter to the Editor

THE Holiday Tours brand has been around longer than any other multi-destination outbound travel wholesaler in South Africa, having become a trusted household name over the past four decades.

Through its former offices in Cape Town. Durban and Johannesburg, Holiday Tours was responsible for providing thousands of holidaymakers with inclusive packages and FIT arrangements to all corners of the globe. In all those years, no passenger was ever left stranded and no foreign principal or creditor was left with an uncollectable debt. It was always our policy to under-promise and over-deliver, resulting in high volumes of repeat business from our customers and brand loyalty from the travel trade.

It is sad to see the Holiday Tours name disappear from the local scene after having achieved so much credibility over so many years. However, Comair has invested heavily in technology to meet the changing needs of the tour business in the Internet

age. Its decision to rebrand the company to be more identifiable with its own kulula brand must be respected, despite the seller's remorse I have often felt since allowing them to acquire the Holiday Tours and Holiday Travel businesses from me in order to focus on our aviation, car rental and hotel representation operations that have grown exponentially since that time.

Gavin Simpson

Group md, Holiday Holdings

AirHeads S

A snapshot of the week's airline news

Etihad launches flights to Brisbane

ETIHAD Airways now offers non-stop flights on its three-class Boeing 787-9 Dreamliner between Abu Dhabi and Brisbane. Flight EY484 departs Abu Dhabi daily at 22h00 to arrive in Brisbane at 17h50 the next day. Return flight EY485 departs Brisbane at 21h35 and arrives in Abu Dhabi at 06h00 the next day. The flight replaces the daily one-stop service that the airline previously operated via Singapore. The non-stop flights also offer improved connectivity from regional Queensland with partner airline, Virgin Australia, from 13 towns and cities across the state. Etihad operates 32 flights a week between Australia and Abu Dhabi, increasing to 39 weekly flights from August 1 when a second daily flight is added between Abu Dhabi and Melbourne. In addition, Etihad codeshares on Virgin Australia's three weekly Sydney-Abu Dhabi services.

Arik Air introduces new timings

ARIK Air has introduced new summer timings on the Lagos-Johannesburg route. Effective immediately, daily flights now depart Murtala Muhammed International Airport at 13h30 to arrive at OR Tambo International Airport at 20h40. The return flight departs Johannesburg at 23h15 to arrive in Lagos at 04h30 the following morning.

KQ signs up for Travelport's rich content

TRAVELPORT and Kenya Airways have announced a new merchandising agreement that will see Kenya Airways' information become available to agents through Travelport's Rich Content and Branding programme. Rich Content and Branding enables agents to view detailed airline product information, which is descriptive and visually presented. This will allow agents to upsell Kenya Airways and is available on the latest version of the Travelport Smartpoint agency desktop. Over a hundred airlines have signed up to participate in Travelport's Rich Content and Branding since its launch in 2014, including SAA, Comair, kulula.com, Etihad, and British Airways.

Emirates ups baggage allowance

EMIRATES is offering passengers an additional 10kg baggage allowance in economy class on flights departing from Cape Town, Johannesburg and Durban until July 31. The baggage allowance applies to flights to any of these destinations: Beijing, Bangkok, Denpasar, Hong Kong, Jakarta, Kuala Lumpur, Seoul, Tokyo, Ho Chi Minh City, Shanghai, Singapore, Amsterdam, Athens, Brussels, Dublin, Düsseldorf, Frankfurt, Geneva, Istanbul, Larnaca, London, Madrid, Manchester, Milan, Moscow, Munich, Paris, Rome, Vienna, Zurich, Ahmedabad, Bengaluru, Mumbai, Kozhikode, Kolkata, Colombo, Kochi, Dhaka, Delhi, Hyderabad, Islamabad, Karachi, Lahore, Chennai, and Thiruvananthapuram.

New Cathay Pacific lounge opens in Bangkok

CATHAY Pacific has opened a new lounge for passengers travelling out of Bangkok's Suvarnabhumi Airport. It replaces the previous lounge and is located at Level 3 in the Concourse G Departure Hall. The 679-sqm lounge has seating for around 140 people. The Bureau provides three individual workstations with dual operating system iMacs and printers. Free WiFi access is available. The dining area features Cathay Pacific's signature noodle bar and a food bar, with cocktails and a variety of non-alcoholic drinks.



Countries, Capitals, Cresta Hotels, Conference Centres... Consta Con A16. ng needs in three dimensions southern remains and facilities at Cresta Lodge in Harare - Sango Co d Cresta Golf View Conference Centre, in Lusska

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REPORT AVIATION FESTIVAL AFRICA 2015

Stakeholders from across the airline industry gathered at the Sandton Convention Centre from June 30-July 1 to discuss trends and issues impacting aviation in Africa. Carina Borralho and Darise Foster report.

African airlines battle 'onslaught' of Gulf carriers

THE dominance of Middle Eastern carriers has disrupted the aviation industry and increased the urgency for African airlines to hold on to their native passengers. This was the consensus at the 2015 Aviation Festival Africa.

At 13%, these airlines achieved the strongest annual passenger traffic growth in 2014, according to lata. Some 14,3 million revenue passengers flew on Etihad Airways last year – an increase of 23% from 2013. Emirates operates 3 300 flights a week to over 140 destinations out of its Dubai hub and Qatar Airways achieved an average route expansion growth of 30% year-to-year for 2014.

"African carriers are not in a position to compete with the onslaught of the European and Gulf carriers," said vp of Boeing International-Africa, Joao Miguel Santos. For Africa to compete with Middle Eastern airlines, the continent would need 1 170 new aircraft. "You either have to partner with them, or keep them at bay." In order for Africa to compete with Middle Eastern airlines, the continent would need 1 170 new aircraft, said Joao. EgyptAir director of

tos.It is difficult for the AfricanthUnion to compete but in ordertheto do so, infrastructure on the170continent must be enhanced."haveRene Gsponer, coo andkeepacting md of Air Namibia,

argued that for the airline to compete, it would need to operate 24 hours a day in order to lower its fares. "We need higher utilisation, not lower standards," he

international organisation, Ashraf Hakim, questioned

how African carriers could

maintain market share in the

wake of the threat of the Gulf

of Gulf carriers has increased

by 120% in the last 10 years.

carriers. "The market share



Tebogo Mekgoe (left), coo of Acsa, highlighted traffic development strategies for Africa in his presentation at the 2015 Aviation Festival Africa. He is pictured with **Ogaga Udjo**, SAA network planning analyst.

said. "Aircraft do not need to sleep."

Both Rene and Ashraf agreed that, in the long run, it was likely that Gulf airlines would continue to acquire stakes in African carriers and consolidate aviation on the continent. "Acquisitions will replace alliances as the new form of co-operation in aviation. Alliances will vanish within the next 20 to 30 years," said Ashraf.

LCCs – the next chapter

THERE is a huge market in Africa for low-cost airlines. LCCs could be the future

Africa but carriers should be introduced at the right time, at the right price and offer the right product, said Air Uganda's head of risk management and control, **Aziz Rattansey**.

A round table discussion headed by Aziz revealed that, in some countries, low cost means low quality. "Although LCCs should be competitive in price compared with legacy carriers, they should still offer a level of quality."

AirAsia Berhad gm for India, Sri Lanka and Bangladesh, **Suresh Nair**, said LCCs in Africa were seen as stepchildren because they operated very old aircraft. "LCCs are badly capitalised," he said. "I don't see a big player emerging in the industry at the moment."

He added that while kulula, Mango, Skywise and FlySafair contributed to South Africa's status as the largest domestic air travel market on the continent, the next step was to go international. "But it is difficult for LCCs to operate outside of their borders, because obtaining traffic rights is a headache." **Sudeep Ghai**, managing partner of Athena Aviation, added: "Landing rights, taveo and food are major

taxes and fees are major considerations for LCCs operating in Africa. Nigeria,



Erik Venter, Comair ceo, smiles for the camera between presentations. Photos: Carina Borralho

for example, has onerous landing rights and high taxes, making it almost impossible to operate a low-cost model in the region."

Airlines need to do more to satisfy customers

FOR many years, the airline industry has taken a customer-centric approach to business but it has somehow landed itself at the bottom of the SA Customer Satisfaction Index. The results were released in June.

FlySafair marketing vp, **Kirby Gordon**, said there needed to be a change of spirit in the industry. "In an era where passengers can be incredibly cruel to airlines, the industry needs to adapt," he said. He was referring to the expectations passengers have of airlines. While there has been a general decrease in the price of local airfares, there has been an increase in the amount of passengers travelling. "We have more people to please with less money to please them."

In light of this, Kirby said airlines needed to focus on what passengers really wanted, such as the availability of connectivity and technology. "We need to adapt our business model to give people more options, while maintaining our integrity as an industry."

The number-one most popular item bought online in South Africa is books and the second is airline tickets. "South Africans have a strong desire to travel but they expect the absolute best from airlines. This gives the industry an opportunity to up its game."



6 Wednesday July 15 2015



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NEWS

New fees hit Tanzanian tourism

DORINE REINSTEIN

ANZANIA'S tourism sector has come under pressure after the government announced that some establishments in the country's national parks were liable for an increase in concession fees of between US\$30 (R370) and US\$100 (R1 234) per person per night.

Ceo of the Hotel Association of Tanzania (HAT), **Lathifa Sykes**, says the increase will affect the future of Tanzania's tourism industry. "Tourism is a global business that is very sensitive to price. Should Tanzania become too expensive, our hard-won tourists may go to other destinations perceived to be better value."

Furthermore, the sudden increase in fees creates immense business challenges. For example, says Lathifa, package rates have been published until 2016 without taking into consideration this massive increase. "Either the establishments need to absorb the new cost or they need to pass it on to customers and risk cancellations."

The issue was first raised in 2011 when The Tanzania National Parks Authority (Tanapa) wanted to impose a flat fixed-rate fee per bed night sold as opposed to 10% of the half-board rate, which varied and meant lower level establishments paid less than high-level establishments. At that time, HAT, which represents 78% of the permanent accommodation facilities within the national parks in Tanzania, took Tanapa to court over the increase. In September 2014, the High Court found in favour of HAT and ruled that the new fixed

rates were not legally in force as they had not been gazetted.

Following the ruling, Tanapa decided to legalise the imposition of fixed fees through two government notices – the first imposing fixed rates of concession fees from July 1, the second backdating the implementation time to May 28.

Lathifa says: "The notice covers only 27 lodges out of 44 accommodation facilities in national parks. Why do the other 17, which we know pay concession fees, remain excluded in the Gazette? For most lodges covered by the Gazette Notices, the increase from the present 10% halfboard formula to the new fixed rate represents an increase of between 200% and 1 000%! Which begs the question, is Tanapa victimising hotel investors that took them to court?"

seychelles private island escape



PillowTalk

A brief look at this week's hotel news

Starwood to introduce Sheraton premier tier

STARWOOD Hotels and Resorts will launch a new premier tier, Sheraton Grand, along with more than 150 new Sheraton hotels worldwide by 2020. It forms part of the group's 10-point plan – Sheraton 2020 – which seeks to put Sheraton Hotels and Resorts "back into the global spotlight", the hotel group says. Over 100 premier Sheraton Grand hotels will be introduced. Under the Sheraton 2020 plan, the group will encourage more owners to renovate properties to achieve new Sheraton Grand status.

Cape Radisson Blu reopens

THE Radisson Blu Le Vendome Hotel on Sea Point's Platinum Mile has reopened following a R30m refurbishment. The property features 143 luxury rooms and suites as well as meeting rooms and an exclusive shopping boutique. Phase two of the refurbishment will see the addition of a spa and gym, while phase three will focus on restyling the rooms. The hotel is situated on the cosmopolitan Atlantic Seaboard and offers views of the city's natural landmarks such as Table Mountain and Signal Hill.

Gaborone's Grand Palm ups tech offering

THE Grand Palm Hotel Casino and Convention Resort in Gaborone has increased the WiFi offering for guests. Visitors can expect a free offering of 50MB as they enter the property, while hotel guest are treated to 500MB per day at the Walmont hotel and 300MB per day at the Metcourt Inn. Hotel residence packages are uploaded with new data at 11h00 every day and guests have the option of topping up their WiFi bundles by purchasing a onehour WiFi voucher for P20 (R24,50) or a premium speed voucher for P100 (R122,60). Members of Peermont's loyalty programme, Crown Key, can enjoy complimentary broadband Internet access for three hours at a three-star hotel, five hours at a four-star hotel and uncapped access at a five-star hotel.

Cape Town hotel to close

THE Ambassador Hotel in Bantry Bay, Cape Town, will close on November 30. The hotel has been sold to new owners who have alternative plans for the property. Guests with reservations after November 30 will receive a full refund.

The Maslow introduces packed lunches

THE Maslow hotel in Sandton CBD is putting a gourmet spin on packed lunches, by preparing breakfast and lunch menu items that are healthy and convenient for guests. "Our Lacuna Bistro team prepare pre-selected breakfast or lunch menu items for our guests and take the guesswork and frustration out of choosing where and what to eat," says pr and marketing manager, **Keletso Kowa**. Lacuna Bistro's team is headed up by newly appointed executive chef, **Jason Millar**.

&Beyond launches mobile camping in Botswana

&BEYOND has launched six new mobile camping safaris in Botswana. They are currently available to book, with all six expeditions running from February 2016.

The six- to eight-night allinclusive safaris include the Chobe National Park, Savute, Okavango Delta and Nxai Pans National Park. The expeditions depart on set dates throughout the year and can be booked for small groups, individual travellers and photography enthusiasts. Children under 12 are not allowed.

The safaris include fully serviced mobile camping facilities, each hosted by a private guide. A minimum of two and a maximum of six guests are allowed per departure. Window seats on game drives are guaranteed and accommodation is in spacious dome tents with en-suite bathrooms, separate toilets and hot bucket showers. There is no electricity in the camps but cellphones, cameras and other electronic devices can be charged on the safari vehicle.

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Travel technology

No other platform speaks as loudly to today's traveller as mobile technology. Travel agents need make sure they form part of the conversation. Dorine Reinstein reports.

Mobile – agents must join the conversation

OBILE technology has become increasingly important for travel agents, primarily because of the way it enables them to connect with travellers on their level, industry professionals say.

According to the recent findings of a World Travel Market Global Trends Report, more than 40% of online traffic related to travel comes from mobile devices: 57% of business travellers use a mobile device to book travel; and 44% of travellers use their phones to research travel while they're actually travelling.

In line with these findings, Giles Clinton, partner at Checkout Travel, says, on average, 70-80% of Checkout Travel's enquiries and searches are done off a tablet or smart phone. "I think that mobile technology is going to become the main way people source and search for travel in the future."

"Research highlights the importance of mobile technology to the travel trade," says Melissa Storey, executive head: strategy, development & marketing at First Car Rental. She adds that advances in mobile technology are revolutionising the ways in which leisure and business travellers plan, research and book travel.

"To remain competitive, companies need to understand their customers' buying habits and evolve their systems in accordance with the advances in technology."

Don't be left behind

Pine Nel, senior manager integrated solutions for Carlson Wagonlit Travel in South Africa, says: "Mobile technology empowers the traveller: it allows for anywhere real-time interaction throughout the entire booking process.

"From pre-trip profile management and live itinerary updates through to location-driven and on-themove tools like maps, point-to-point transfers and restaurant guides, the traveller is now firmly in the driver's seat.'



"Mobile technology is very much here to stay and will become more and more integrated into our lives." George Harb

In light of this, travel agents must be part of the mobile research process, providing curated expert advice at every step of the planning and buying process, says Norm Rose, US-based travel technology expert. He agrees that the primary change mobile brings to

the travel ecosystem is an always-on and alwaysconnected traveller who wants relevant information in line with their needs at specific moments during their trip and that mobile is becoming the dominant platform for all types of travellers. "Travel agents must be part of this mobile conversation or they will be left behind.'

Critical to your business

Mobile technology is very much here to stay and will become more and more integrated into our lives, comments George Harb, Travelport's regional director for Southern Africa, Zambia and Zimbabwe. He says mobile technology will continue to grow in importance as more and more travel agents look to it for business solutions.

Mobile technology is particularly important when it comes to showcasing the travel agent's product to the client, says Andrew Stark, gm of Flight Centre. "I don't see expert consultants using mobile phones to book

on behalf of customers. I see customers using their phones to search, compare, enquire and book. It's another medium to push product to consumers.

Wally Gaynor, md of Club Travel, agrees that it's not so much about the mobile technology the consultant is using but rather about which mobile technology the client is using to access what the consultant is booking. "The consultant makes a booking on Amadeus and the client uses the Amadeus Check My Trip app to access their itinerary and e-tickets," he explains.

At the end of the day, mobile technology is critical in any travel company's overall technology solution, maintains Claude Vankeirsbilck, chief sales and marketing officer for Tourvest Travel Services. "It's about listening to the consumer's needs, whether corporate or leisure, and responding adequately to these needs. Those that respond with solutions will prosper in the years to come.'

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Stay one step ahead...

TRAVELLERS have become increasingly savvy as they have access to a large number of devices and products, says **George Harb**. If the travel agent wants to keep their edge, they need to be able to outsmart the client.

"While an agent is sitting with a customer looking for a hotel, it is likely the traveller is also checking on their mobile devices on apps such as TripAdvisor or SeatGuru to validate the accuracy of the advice the agent is giving them. The traveller has access to more data and information than ever before. As such, Travelport technology is developed to ensure we provide agents with access to the information they need to stay one step ahead of the traveller," he says.

Harald Eisenächer, senior vp Sabre for EMEA, agrees and says that by deploying technology services, travel agents can get ahead of their competition in the South African market. He advises agents to analyse what their clients are doing online to identify trends. "Big data is the differentiator for the future."

Harald says: "As the world gets more complex, it's important for technology to become more flexible. As such, we are changing our approach by opening our platform



Harald Eisenächer

to outside innovators to develop application programme interfaces. This is one way in which innovation helps manage and contain complexity."

Tech tailored for agents

ALTHOUGH most mobile innovation is directed at the traveller, travel agents can also benefit from the mobile revolution with GDS technology providers developing mobile systems aimed specifically at travel consultants.

George Harb says Travelport has been developing mobile applications for the travel agent for many years. "As devices evolve and become 'smarter' with faster 4G networks and the open platform, the opportunity and demand to develop applications for the travel trade has never been greater."

According to George, Travelport Mobile Agent has revolutionised the way agents work by allowing them to access the travel commerce platform at any time and place. "In the past, if a passenger had an issue, an urgent booking requirement or wanted to change their flight out of hours, the travel consultant would need their PC to make these changes. If the agent was not in the office or at home, this created

huge complexity for them to provide efficient customer service and limited the service offering the agent could provide."

George says the fact that travel agents can access the GDS on their mobile phone means they can offer new levels of customer service while also having huge flexibility in how they work. "We have instances of agents who are out hiking or on safari accessing our travel commerce platform to assist their customers."

Sabre's 'Red Mobile Workplace' is another solution that enables travel agents to book and manage travel for clients wherever, whenever.

Service providers have welcomed the development of mobile apps for travel agents saying this means their business is open through the travel agent 24/7. **Melissa Storey** says: "First Car Rental is busy with certification for Sabre and Travelport. This will give travel agents, worldwide, real-time access to First Car Rental's booking portal and vehicle rates and services."

The opportunity lies with apps

THE development of mobile travel apps is a flourishing niche in South Africa, according to **Melissa Storey**. "Mobile apps provide an important avenue for travel companies to deliver excellent customer service and develop strong relationships with customers."

It is therefore not surprising that most travel agencies and consortiums have started to explore the possibilities of developing apps for their customers. Wally Gaynor savs Club Travel has recently partnered with a technology company to develop an app that allows corporate clients not only to book flights, hotels, car hire and even Uber but also to authorise and get authorisation for travel, and



"Most travel agencies and consortiums have started to explore the possibilities of developing apps for their customers." Wally Gaynor to scan and record their expenses while travelling. "These features enable them to get reimbursed for spend while they are still travelling. We feel it will be a game changer in corporate travel."

Travelport is also increasingly investing in apps for the traveller. George Harb says Travelport's consumerfacing product, View Trip, is constantly evolving to meet traveller demands and to allow for the seamless interaction and exchange of information between the traveller and the travel agent. "For example, allowing an agent to 'push' tailored traveller suggestions to the traveller while they are on their trip, such as things for the traveller to see and do, and restaurants to visit, etc.'

News Flash

Earn new commissions!

TRAVELPORT recently announced that the Ingresso Entertainment Tickets plugin is now accessible to travel agents via its pointof-sale technology, Travelport Smartpoint. The plugin provides

agents with a simple way to earn new commissions by adding theatre, attraction and sightseeing products worldwide to the travel bookings they make through Travelport Smartpoint.

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Travel technology

4 tech elements ITCs should seek in a consortium

THE ITC sector of the travel industry is thriving, with an increasing number of consortiums entering the market. For prospective ITCs wanting to join the independent travel market, the plethora of choice can be quite daunting. TNW spoke to industry leaders to find out which technology ITC candidates should look for in a consortium to ensure their needs will be taken care of and that they maintain a competitive edge.



"Although most consortiums outsource technology, it is important to make technology an internal competence." Mladen Lukic

1. End-to-end solutions Claude Vankeirsbilck, says

it is important to have technology at your fingertips that has been developed with the corporate customer, the traveller, the travel booker and the travel consultant in mind. He adds that Tourvest has recently developed a total end-to-end travel management solution, TraveIIT. "The need to integrate mobile technology in our value propositions is being driven by the customer and it is very important for the travel trade to meet this need."

2. Easy access to content

Wally Gaynor says it is important for travel agents to be able to publish content on their own websites or apps. That is why Club Travel has developed a 'next generation' Intranet system that allows ITCs and affiliate agents to do a single search for both LCCs and scheduled carriers on the system. He says the system will support Galileo, Amadeus, Worldspan and Sabre and adds that, on the hotel side, travel agents will be able to do a single search accessing over 90 suppliers, including GTA, Expedia, Travelport Rooms and More. ITCs will also be able to access car hire, transfers, attractions and packages.

3. Bespoke package design

For Travel Counsellors, it is important that the technology it offers is designed with the travel agent in mind. Travel Counsellors' own dedicated tour operating system, Phenix, is one such system and allows ITCs to design holidays for their clients. The system offers accommodation options, flights, transfers, excursions and even LCC options.

The company decided to build its own tour operator system as a result of global changes, which saw tour operators cutting out agents, says **Kirsten Hughes**, Travel Counsellors' commercial



"If your deals are not relevant or not very competitive, you will not have demand." Andrew Stark

director. She says travel agents who design their own packages for their clients are able to significantly increase their margins.

Mladen Lukic, gm of Travel Counsellors in SA, says although most consortiums outsource technology, he feels it is important to make it an internal competence. "We're the only company to truly invest in our Travel Counsellors' businesses."

4. Solid support

Prospective ITCs should not just be wowed by flashy apps, but should look for a company with a solid backing that has stood the test of time in a very competitive environment, says **Andrew Stark**. "They also need to look for a company which has the best deals in the market because no matter how good your technology is, if your deals are not relevant or not very competitive, you will not have demand."

Connectivity remains a challenge

IN SOUTH Africa, there are still barriers to overcome before mobile can become a key channel for travel-related research and purchases, says Melissa Storey. These include the high costs of mobile data, lack of WiFi and 3G/4G coverage in some areas - specifically rural - as well as users' reluctance to embrace new technology, especially when it comes to their data security concerns regarding mobile payment systems. "In addition, mobile app and responsive website sophistication is still lagging, resulting in users losing faith in the mobile product due to a 'bad' experience with outdated technology," Melissa adds.

However, mobile phone usage is increasing and will continue to do so. The South African Mobile Report published in 2014 by IAB South Africa, which addresses smartphone usage, showed



Melissa Storey

that most South Africans (80%) use their smartphones to access the Internet. Separate research by World Wide Worx shows that the app has become the single most significant tool driving the mobile economy in South Africa – the use of mobile apps has increased from 24% of adult cellphone users in mid-2012 to 43% in late 2013.

First Car Rental enhances online booking

FIRST Car Rental has recently developed and launched a responsive website that will make booking a car simpler and faster across all platforms for all its leisure and corporate customers.

Melissa Storey says travel agents will soon be able to join in the experience as First Car Rental has adapted the same approach to its Weblink booking tool. The website, and soon Weblink, automatically adjusts to fit any screen size - whether mobile phone, tablet or desktop PC. "The website and Weblink form part of First Car Rental's commitment to provide customers with a simple, fast and streamlined process that integrates seamlessly across all channels whether that's on the phone, in branch, via laptop or from a mobile device.'

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Travel technology

Designing your own website?

DIGITALTRIP has a wide range of innovations for 2015 that can provide travel agents building their own websites with a definite edge over their competitors.

Giles Clinton, Digitaltrip sales agent for Africa, says agents can give their website the 'wow' factor with the new interactive Metro Grid. They can choose from three web layouts, then simply add text and images and link it to their pages and special offers.

Digitaltrip now also allows simplified searches with a new search box that gives customers a simple way to search for flights, accommodation, car hire, transfers, attractions and more. "Travel agents have full control of the tabs, which can be styled using the site branding tool. They can personalise their search box even further with default origin, location, date and trip duration or they can use their own custom lists," says Giles.



"Travel agents can give their travel website the 'wow' factor with the new interactive Metro Grid." Giles Clinton

Improving the traveller experience

WHAT is driving growth in travel? This was a key question posed at Sabre's Technology and Innovation Celebration held on June 8 at the company's new offices in Fourways.

The conversation focused on the trend towards consumerisation and how this is strongly linked to the proliferation of mobile. Sabre's Harald Eisenacher, pointed out that mobile enabled a more personalised travel experience - increasingly in demand from travellers as is evidenced by the fact that ancillaries are a US\$49bn (R607bn) industry. "Mobile personalises travel and therefore helps drive revenue."

He also raised the topic of big data, commenting that through the combination of both structured and unstructured data, travel suppliers would be able to predict the demand of consumers. "Travellers produce three times as much data as the next person."

Technological innovations such as geolocation services, big data and virtual reality are all tools that the travel industry will soon be able to use to upsell more effectively and at the same time improve the traveller experience. In fact, Sabre provided guests with a sneak preview of some of its new technologies that are under development.

The technology works on the premise of offering a product or upgrade to the traveller at that point during their travels when they are most likely to need it. For example, a businessman who, prior to his flight opted for the cheaper economy-class ticket, might very well regret his choice as his journey begins and he finds himself in a very cramped and noisy space with a screaming child in the row in front of him. At this point a message pops up on his mobile, offering him a last chance to upgrade.

Another example would be a passenger en route to the airport, where there is a lengthy queue at the check-in. The airline, noting the possible delay, will be able to send a message to the passenger warning them of the hold-up and offer a fast-track pass.

These emerging technologies will help travel professionals to take advantage of the growing number of smartphone users – Sabre estimates this is growing at one million new users every day and caters more effectively to the next generation of travellers.

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A day at the races

Tourism KwaZulu-Natal hosted stakeholders at the annual Durban July at Greyville Racecourse. The event, themed The Captain's Table, saw attendees dressed to the nines! Pictured here at the event (from left) are Hlobisile Ngxongo, a member of the KZN Legislature, with the KZN MEC of social development, Weziwe Gcotyewa Thusi. Photo: Darise Foster

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TNWNEWS

Letter to the Editor

Can Lufthansa meet agents' needs?

FOLLOWING up on *TNW's* recent report on Lufthansa's proposed GDS surcharge (June 17), it is most interesting to note how at the recent lata AGM in Miami, most airlines applauded this initiative and no doubt will be watching this space very carefully.

At this same AGM, many prominent airlines reported increased profits and the general consensus was that the industry had experienced a pretty good year. Understandably, airlines are still trying to increase yields and profitability and levying GDS surcharges will certainly help.

Now Lufthansa claims that agents will be able to integrate bookings made on its web portal to their mid- and back-office systems. One must wonder at the cost to develop such technology as many different systems are used by agents around the world – will LH make its agent web portal compatible with every different accounting system?

Another challenge for agents will be the efficiency of incorporating hotel and car bookings, as is done on our GDSs.

How will agents be able to deliver the service to clients that they expect,

NDC is the future

At a recent media briefing, *TNW* questioned Lufthansa on how the airline planned to accommodate the trade should agents choose to book through the airline's agent portal rather than the GDS.

Tamur Goudarzi-Pour, Lufthansa vp of sales and services for the Middle East, Africa and South Eastern Europe, said the airline did not expect a significant shift in bookings away from the GDS to its online portal, largely because the technology to support the shift was not yet in place.

"If agents' back-office systems are not there

providing quotes and holding bookings until authorised, which can take some time as we all know. With Internet bookings payment must be immediate.

One wonders how refunds will be handled. Does LH envisage bypassing BSP if bookings are done on its site? Will all rules be available and easily accessible on its site? In cases where fare building is necessary has LH made a facility for this?

These are but a few questions that come to mind; there will certainly be many more. September is almost upon us. Will LH be training agents on its new procedures in time for the switchover? Will its call centre be adequately manned to field the queries?

If other carriers follow suit, it will mean an increase in fares. This will most certainly cause ill feeling from agents having to compete on an uneven playing field with their suppliers. When will airlines realise that they will never be able to compete with the GDS technology as an invaluable tool to agents and OTAs?

Allan Wolman Md XL Rosebank Travel

he said, adding that the airline was not out to penalise agents as the cost of the surcharge would ultimately fall to the client. He said, though, that it

yet, it won't happen,"

was necessary to make a first step towards new distribution channels because of the cost to airlines of operating through the GDS.

He implied that the future of the industry lay with lata's New Distribution Capability and agents would see more airlines taking up the cause. "Lufthansa will not be the last airline to make this move," said Tamur.



Tourism Ireland has launched an e-learning platform to assist travel agents with selling the destination. The programme is free to use and equips the travel trade with specialist knowledge of Ireland. It is divided into six modules and consultants receive a silver or gold accreditation on completion. Pictured here (from left): Christine Lucas, key account sales Johannesburg; Lindsay Roberts, key account sales Durban; and Gayle Bannatyne, key account sales Cape Town. Photo: Shannon Van Zyl

Another ITC goes rogue

DORINE REINSTEIN

Screen Berger States and Sport, who allegedly scammed a group of 30 schoolchildren in Krugersdorp who had booked their dream trip to Europe with the agent.

The group collectively paid Elize R330 000 for their flights but on the day of travel discovered the airline had never been paid and the trip had been cancelled.

Dinesh Naidoo, group operations director of SWG, told *TNW* that although Elize was an SWG ITC, she did not book the tickets for this particular trip through the group. Elize was immediately suspended and is no longer trading as an SWG ITC, he added.

Otto de Vries, Asata ceo, says Asata has been working closely with SWG to ensure that its ITCs are compliant with Asata's constitution and Code of Conduct, paving the way for them to apply for Asata membership. Elize Travel and Sport was not an Asata member, he adds. "It's imperative that all our ITC groupings apply Asata criteria as part of their vetting processes, before accepting ITC membership to their group."

Some ITCs are 'double dipping', meaning they try to join a number of consortiums, says Cathie Bester, national sales manager of World Leisure Holidays. "We 'red flag' this to all parties involved as we need to ensure that we allocate sales to the correct consortium. When an agency does this, they are normally trying to issue air tickets through a number of channels and this can be a very dangerous practice.'

These rogue ITCs give the entire travel industry a bad name, Cathie adds. "The sad part is that this agent belonged to a consortium and was registered as an ITC; she had been in business for a number of years and was well known in the industry," she says.

This story, though, has a happy ending. Liz Budge, manager of XL Oceanair Travel made headlines in The Star after she came to the rescue and managed to rebook the students on their trip. "The main problem was that all flights to Europe were full and it was a challenge to get even one ticket at a decent fare," says Liz, adding that her entire team had sacrificed personal time and called in favours to get the job done. She said some clients and suppliers donated money to ensure the trip went ahead.

According to *The Star*, Elize's husband had already paid the school R150 000 and promised to pay the balance. It was believed that Elize had a nervous breakdown and was in hospital, the article said.

SAA weighs in on GDS surcharge debate

From page 1

standpoint, personal performance contracts and robust consequence management become of utmost importance. Annual salary reviews will be based on this model."

Overall, the airline aims to improve operating profits by R1,25bn in the 2015-16 financial year and positive earnings before interest and tax in the 2017-18 financial year.

For the current fiscal, the airline plans to grow revenue by up to 30%. "Key focus for SAA is how to grow African revenue substantially. Our intent is to reclaim our position as the leading carrier on the continent," he said. When asked about whether the airline would require another bailout from government, Nico responded: "I can say with a great deal of confidence that it is unlikely SAA will require guarantees in the medium term for the purposes of liquidity. In the short term, things are looking better for SAA."